

THOMAS ALLEN,  
Editor and Proprietor.

## AGENTS.

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THE MADISONIAN is published Tri-weekly during the sessions of Congress, and Semi-weekly during the recess, at \$5 per annum. For six months, \$3.  
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No subscription will be taken for a term short of six months; nor unless paid for in advance.

PRICE OF ADVERTISING.  
Twelve lines, or less, three insertions, - - \$1 00  
Each additional insertion, - - - - - 25

Longer advertisements at proportionate rates.  
A liberal discount made to those who advertise by the year.

Subscribers may remit by mail, in bills of solvent banks, postage paid, at our risk; provided it shall appear by a postmaster's certificate, that such remittance has been duly made.  
A liberal discount will be made to companies of or more transmitting their subscriptions together.  
Postmasters, and others authorized, acting as our agents, will be entitled to receive a copy of the paper gratis for every five subscribers, or at that rate per cent, on subscriptions generally; the terms being fulfilled.

Letters and communications intended for the establishment will not be received unless the postage is paid.

## NAVY SUPPLIES FOR 1842.

NAVY COMMISSIONER'S OFFICE,

PROPOSALS, sealed and endorsed, will be received at this office until 3 o'clock, P. M. of Monday, the 1st November next, for furnishing and delivering at the Navy Yards at Portsmouth, N. H., Charleston, Mass., Brooklyn, N. Y., Philadelphia, Washington, D. C., Gosport, Va., and the Baltimore Naval Station, ready made, and quantities of the following articles, of the best quality, that may be ordered or required from the contractors by the respective Commanders or Commanding Officers at said Navy Yards and Naval Station, or by the Navy Agents, respectively, during the year 1842, for the use of the Navy of the United States, viz:

- No. 1. Bolt and Sheet Copper (not rolled).
- No. 2. Round, flat and square Iron.
- No. 3. Superfine Flour.
- No. 4. Ship Biscuit (made from superfine flour of the manufacture of the years 1841 or 1842).
- No. 5. Whiskey.
- No. 6. Butter.
- No. 7. Spermacandles.
- No. 8. Spermac Oil.
- No. 9. Lard Oil (in its raw state).
- No. 10. Paints (the several articles named in the printed offers).
- No. 11. Molasses, Vinegar, Rice, and White Beans.

It is distinctly understood, however, that persons who may offer are not to have any claim or privilege to furnish any greater quantity of any article than may be expressly ordered.

It is also to be understood that, when persons reside at other places than those near which they engage to furnish articles, they will be required to forward and duly authorize some person, resident at or near the place of delivery, to receive and act upon the requisitions or orders which may be made.

And it is also to be understood, that in case the person who contracts, or his agent, shall neglect or fail to comply with the requisitions or orders he may receive for articles under his contract, in proper time and of proper quality, the officers or agents of the Navy shall be authorized to purchase the same, and the contractor shall be liable for any excess of cost over the contract price.

Separate proposals must be made for each class of articles for each Navy Yard and for the Baltimore Naval Station. The blank offers furnished to individuals must have all the blanks carefully filled up, and must be subscribed as directed in the note on the face of each form, and the offers must be unqualified and unconditional.

Bonds, with two approved sureties, in one-third the estimated amounts of the respective contracts, will be required, and 10 per centum in addition will be withheld from the amount of each payment to be made, as collateral security for the due and faithful performance of the respective contracts; which will, on no account, be paid until the contractors are complied with in all respects, unless specially authorized by the Board of Navy Commissioners. After deducting ten per centum, payment will be made by the United States within thirty days after the due and faithful performance is ascertained and bills for the same presented to the Navy Agent, approved by the Commanders or Commanding Officers of the respective Navy Yards and Naval Station aforesaid, according to the terms of the contracts.

The Board of Navy Commissioners reserve to themselves the right to reject all offers from persons who have heretofore failed to fulfill their contracts.  
Blank forms of offers for each denomination of articles will be furnished by the respective Navy Agents or Commanding Officers, to persons applying for them, and upon which all offers should be made strictly conforming to the directions which they contain. Samples of the biscuit will be lodged with the Commanding Officers of the respective Navy Yards and Naval Station.

To be published in the National Intelligencer, Madisonian, Army & Navy Chronicle, Alexandria Gazette and Globe, the District of Columbia, Portsmouth Journal, New Hampshire Vermont Watchman and State Journal, and the People's Press, in Vermont; Boston Daily Advertiser, Boston Atlas, Boston Courier, and Essex Register, in Massachusetts; New York Express, and New York Commercial Advertiser, in the State of New York; North American and Daily Advertiser, in Pennsylvania; Baltimore Patriot, and Baltimore American, in Maryland; Norfolk and Portsmouth Herald, Richmond Whig, and Fredericksburg Arena, in the State of Virginia.

**POTOMAC BRIDGE.**—The subscriber will receive proposals for the 25th of October next, for the supply of 446,500 feet of pine timber, the growth of Virginia or Maryland, 121,000 feet to be delivered this fall. The dimensions of the timber will vary from 14 by 14 to 12 by 12, and of various lengths, particular bills of which will be furnished the contractor; it must be of the best quality, hewn or squared, and delivered at the bridge, or at such places in its vicinity as the Engineer may direct, and be subject to his inspection.

Twenty per cent. will be retained of the value of such portion of the timber as shall have been delivered, which per centage shall be paid on the fulfillment of the contract, or forfeited on a failure of the contractor.

Persons offering for the above will address the undersigned, enclosing their bids "Proposals for Pine Timber," and enclose them to Colonel J. A. Albert, Topographical Bureau, Washington.  
Persons desiring to bid for the above Timber will be furnished with a particular bill of lengths &c. upon application to the subscriber in person or by letter (post paid) at Georgetown, D. C.

WM. TURNBULL,  
Major Topographical Engineers.

sept 18 - Oct 25

## UNIVERSITY OF PENNSYLVANIA.

## MEDICAL DEPARTMENT.

Session 1841-42.

THE Lectures will commence on Monday, the 1st of November, and be continued, under the following arrangement, to the middle of March ensuing: Practice and Theory of Medicine, by Nathaniel Clemen, M. D.  
Chemistry, by Robert Hare, M. D.  
Surgery, by William Gibson, M. D.  
Anatomy, by William E. Horner, M. D.  
Institutes of Medicine, by Samuel Jackson, M. D.  
Obstetrics and the Diseases of Women and Children, by Hugh L. Hodge, M. D.  
Clinical Lectures on Medicine, by W. W. Gerhart, M. D., and  
Clinical Lectures on Surgery, by Drs. Gibson and Horner, will be delivered at the Philadelphia Hospital (Hickley). Students are also admitted to the Clinical Instruction at the Pennsylvania Hospital, in the City.

W. E. HORNER,  
Dean of the Medical Faculty,  
aug 24, Jan 15, Nov 15, 365 Chemical Street, Phil.

VOL. V.—NO. 29.]

WASHINGTON CITY, THURSDAY, OCTOBER 21, 1841.

[WHOLE NO. 716]

HEAD-QUARTERS, MARINE CORPS,  
Washington City, Oct. 20, 1841.  
SEPARATE Proposals will be received at the office of the Quartermaster of the Marine Corps, in this city, until 12 o'clock, on Wednesday, the 10th day of November next, for furnishing rations to the United States Marines at the following stations, for the year 1842:

Portsmouth, New Hampshire;  
Charleston, Massachusetts;  
Brooklyn, Long Island, New York;  
Philadelphia, Pennsylvania;  
Gosport, near Norfolk, Virginia;  
Pensacola, Florida; and  
Washington City, District of Columbia.

The rations to consist of one pound and a quarter of fresh beef, or three quarters of a pound of mutton, eighteen ounces of bread or flour, at the option of the Government; and at the rate of six pounds of good clean coffee, twelve pounds of good New Orleans sugar, eight quarts of best four quarts of vinegar, two quarts of salt, four pounds of soap, and one and a half pounds of good dipped candles to each hundred rations.

It is understood that the full side of beef (neck and shins excluded) be delivered, if required; if such quantity be not required, that the fore and hind quarters be delivered alternately. And the bread or flour shall be of superfine quality. All the articles to be unexceptionable, and to be issued to the troops without expense to the United States.

Proposals to be endorsed "Proposals for Rations for 1842."

AUG. A. NICHOLSON,

Quartermaster.

oct 5—31aw10th Nov.  
The American Sentinel, and Pennsylvania, Philadelphia; the Portsmouth Gazette, New Hampshire; the New York Evening Post, the New York Herald, and the New York Enquirer; the Baltimore Republican; the Norfolk Beacon; the Norfolk Herald; the Richmond Enquirer, and Richmond Whig; the Alexandria Gazette, Alexandria, D. C.; and the Pensacola Gazette, will give the above three insertions each per copy, and send one copy of the advertisement to accompany the account when forwarded to this office for payment.

LIBRARY OF CONGRESS,

October 11th, 1841.

NOTICE is hereby given, that the Library of Congress will be closed on Tuesday, the 19th instant, for the purpose of cleaning and arranging the books, and will again be opened until Tuesday, the 25th of November.

JOHN S. MEEHAN, Librarian.

Oct. 12 colm.

NEW TALES; for the People and their Children.  
—Just re-printed from the English series, and this day received, for sale by F. TAYLOR.  
—Masterman Ready, or the wreck of the Pacific, by Captain Marryat.

The Peasant and the Prince, by Harriet Martineau.

Early Friendships, by Mrs. Copley.

Sowing and Reaping, or what will come of it, by Mary Howitt.

Strive and Drive, by Mary Howitt.

Hope and Hope Ever! or The Boyhood of Felix Law, by Mary Howitt.

Poplar Grove, by Mrs. Copley.

The Looking Glass for the Mind, translated from the French of Berguin.

The Letters at Home, by Harriet Martineau.

W. H. Green, a tale by Mary Howitt.

For sale by the lot or singly, by F. T. oct 14

**CIRCLAR.**—The partnership heretofore existing between Messrs. POPE & GIBBS, as Attorneys and Counsellors at Law, and Solicitors in Chancery, dissolved by consent.

They continue to practice individually in the County courts of Coosa and Autauga Counties—in the Circuit Courts of Autauga, Coosa, Tallapoosa, Montgomery, Dallas, Bibb, Shelby, St. Clair and Talladega Counties—in the CHANCERY Courts, and in the same Counties—in the SUPREME COURT of ALABAMA—and the District Court of the United States at Tuscaloosa.

[The above Circuit embraces the cities of Wetumpka and Montgomery, the towns of Selma and Cahaba, and many other places.]

C. T. POPE, Wetumpka, Ala.

C. R. GIBBS, Columbiana, Ala.

Messrs. P. & G. renew the tender of their professional services (individually) to those who have heretofore entrusted business to their joint management, and to the public generally.

Their fees for collecting will be, as heretofore, in common case, viz:

For bringing suit on all liquidated demands (as Notes, Bills, &c.) under \$200. \$10 00

For bringing suit on all liquidated demands exceeding \$200. 5 per cent.

For bringing suit on all liquidated demands (as accounts, &c.) \$10 dollars added to above fees.

For taking Interrogatories, Depositions, &c. if not more than two pages, 5 00

If more than two pages, for every additional page, or less, 5 00

In all cases sued to judgment, and execution returned "no property," half the above fees. If there is unusual litigation and difficulty, or a resort to extraordinary measures is necessary to secure a debt, an additional fee, in proportion to the services required will be charged.

Persons sending business from abroad requiring proof, (as accounts, &c.) to prevent delay, should send, at the same time, the names and residences of witnesses, and the names of two or three respectable citizens in the neighborhood of the witnesses, to act as Commissioners to take their testimony.

Partners sending business should also send the individual, as well as joint names of the firm.

References.—Jas. O. Pond, Esq. Wall St. New York; Messrs. Gilliland, Son & Harwell, Charleston, S. C.; Messrs. T. G. and J. C. Macou, Ga.; Wm. Deering, Esq. Athens, Ga.; Messrs. Holt & Rose, and Hon. E. S. Dargan, Mobile, Ala.; Hon. H. W. Hilliard, Montgomery, Ala.; Messrs. Crenshaw & Bryan, A. Ready, Esq., Messrs. H. B. Bailey & Co., and Messrs. James Trimble & Brothers, Wetumpka, Alabama.

oct 14

**PHRENOLOGICAL LECTURES.**—The flattering reception that last first Lecture has met with from the members of the Union Literary and Debating Society induces Dr. HERNES to deliver a whole Course on Phrenology.

The Course will comprise from eight to ten Lectures, to be delivered on Mondays, Wednesdays, and Fridays, at the Medical College. The first Lecture will take place on Wednesday evening, 13th instant, at half past seven o'clock, and will be illustrated by a variety of drawings, skulls, casts, &c., in a plain and practical manner.

At the close of each Lecture Dr. H. will make a public examination of a gentleman chosen from the audience.

To put it within the reach of all who take interest in the science, the price of admittance is but one dollar for the whole Course.

Tickets at Dr. HERNES's office, nearly opposite Brown's and Gadsby's, and at the Bookstore.

oct 11

**CABINET AND CHAIR FACTORY,** 4 doors west of 1-2 street. James Williams has received the schooner Allyn, a lot of high and low back Nurse and Arm Rocking Chairs and Cabinet Furniture.

Has on hand, and continues to manufacture, by experienced workmen, all kinds of Cabinet Furniture, and Chair and Windsor Chairs, Hair and Shuck Mattresses, Bedsteads, and other household ware.

Old furniture taken in exchange for new.

Old furniture repaired and repainted.

Which will be sold low for cash, or on time for good paper.

On hand, a good assortment of Mahogany, which will be sold at 50 per cent. below market.

**CHEAP PAPERS.**—Fine Steam Surface Letter Paper, ruled on three sides, at \$2 45 per ream. Also Folio Post, Foolscap, Double Cap, and Envelope Papers at reduced prices.

Russia and other low priced Quills, suitable for schools, for sale by

WM. F. BAYLEY, (Agent for J. K. Herrick.)

Pennsylvania Avenue, bet. 12th and 13th sts. oct 2

**REMOVAL.**—The subscriber has removed his

STATIONERY STORE to Pennsylvania Avenue between 12th and 13th streets; where he offers a complete assortment of American, English, and French FANCY and STAPLE STATIONERY of various qualities, and at the most reduced prices.

J. K. HERRICK, Agent for

Pennsylvania Av., between 13th and 14th streets. oct 2

## TO THE PEOPLE

OF THE  
TWELFTH CONGRESSIONAL DISTRICT  
OF VIRGINIA.

CHARLOTTESVILLE, Oct. 6, 1841.

FELLOW-CITIZENS:

I was elected your representative last spring under circumstances which rendered it impossible for me to consult you personally, as to your opinions or wishes on the questions which have engaged the attention of Congress during the recent extra session, and which now demand the serious consideration of the country. In the few days intervening between my final nomination, and the election, I could do no more than publish a letter reviewing briefly the position I was induced to occupy before you, (more in deference to the wishes of others than my own,) and stating distinctly the opinions which I had long entertained as to most of the subjects on which I have since been required to act, as your representative.

Though I have attempted to see and consult with those whom I esteem it an honor to represent, as freely and fully as I could since the close of the session, I have deemed it due, as well to you as to myself, to omit no means which will enable me to lay before you my views as to the interests which you have confided to my charge. I regard government as the highest earthly trust, and one which cannot be properly appreciated or discharged without mutual candor and confidence between the agents and the people. That men will differ, as to the objects and means of government, is natural, but these differences, if tested by the standard of reason, instead of prejudice, will only lead to the establishment of truth and the public good.

I beg leave to recall your attention to a few extracts from the letter which I published to the district before the late election. After alluding to the death of Gen. Harrison, I add,

"It is a source of great consolation and encouragement under these circumstances, that the Executive trust of the Federal Government has devolved on one who is well known and justly appreciated in Virginia, and who comes up to the standard prescribed by our own Jefferson, in honesty, capacity and fidelity to the Constitution. I venture to say that John Tyler will never disappoint the confidence which has been reposed in him; that he will regard his own and every other office under the Government, as a sacred trust, and will exert the powers of his office for the good of the country, and for the public good, and not for a party or for private emolument. Without denying the utility and necessity of parties in a free government, it may be assumed as the result of our observation and experience, that without regard to its forms any Government becomes despotic, whose powers are held or administered exclusively for party."

Commenting on the positions of political parties at that time, I said:

"A union has been effected throughout the United States among men of various shades of political opinion as to fundamental principles of government, which had for its object on one side to sustain, and on the other to overthrow the Administration. The late Presidential Election, while it afforded a strong guarantee that the contemplated reforms in the abuses of the Federal Government must be accomplished, affords also an opportunity, indeed it creates also a necessity, for parties to occupy towards one another, and towards the great measures of government, positions at once more natural and more patriotic. For some years past parties have been acting more in reference to men than to measures, and hence we have found that on the accession of the last two or three Presidents to power, the country has seen one party pledged in advance to support, and another to oppose every act of their Administration, right or wrong. We have not an Administration which must rely on the wisdom and justice of its measures for popular support. While every Whig in Virginia is content to subject the present Administration to the tests of the Constitution and of the value of its measures, no Democrat, it is hoped, will condemn without a fault, or refuse to give it a fair and impartial trial."

As to my own views, I remarked that—

"Without intending to solicit the vote of any man, I should be reluctant to receive it under a misapprehension of my opinions. As a representative and an individual, I have been opposed to the charter of a National Bank, because I have seen no sufficient reason to regard it either as a power specifically granted, or as a necessary and proper means for carrying into effect any granted power. Neither the power to coin money, to regulate the value of money, or to regulate the taxes, duties, &c., or to regulate commerce, involves, in my opinion, that of regulating the currency, exchanges, individual or corporate obligations, or any other representative of credit, which private contracts or the laws of the States may sanction. The banking system of the States is had enough, and it is not necessary either in its organization or administration; but, to remedy, I think, must be looked for in the State Governments. So long as a sufficient amount, either of specie, or of State Bank paper, equivalent to specie, can be furnished, the Federal Government will not be without the means of extending its fiscal powers throughout the Union, and of collecting and disbursing the public revenue. I regard the principle which contemplates a separation of the revenues of the Government from the funds of the banks, as a sound one, &c., &c."

I might quote farther portions of my recorded opinions on the currency, and almost every other subject which has been considered during the extra session. You will judge then by my surprise at the result of my own efforts, and by the bar of public opinion, which is unfavourable to any expectation which I conduct or declarations had ever warranted. I have sought in vain for any definite charge, or any shadow of proof to sustain such an accusation, and it seems that I have offended rather in not doing what a portion of my constituents wished to have done, than in doing what all had a clear right to expect me to do.

You have seen that my anticipations as to the effects of the extra session on the positions of parties, have been already to some extent realized. I believe that the decisions of those who had the chief agency in calling that session, and in controlling its measures, come to be fully understood, those anticipations will be still farther realized, and that parties will again divide, as every reflecting man has seen they must, according to their views of the government itself and the purposes for which it was created. More or less prejudice results generally from all party conflicts, but this subsides for the most part, and reason resumes her sway as soon as men discover where the public good requires them to differ or agree.

The extra session was called ostensibly only to replenish, what was told was an exhausted Treasury. Without inquiring whether the resources of the Treasury provided at the last regular session were not ample to meet all proper expenditures until Congress would meet under the requisitions of law in December next, any one may see that if this had been the real object of the extra session it might have closed when a loan had been authorized more than sufficient to supply any alleged deficit in the revenue. The first measure, however, which was proposed, was a distribution of the entire proceeds of the public lands, thus diminishing the resources of the Treasury several millions of dollars. Notwithstanding the expenses of the session itself, and many large appropriations besides the alleged deficit in the Treasury, I believe will not be necessary, and I shall be disappointed if it will be wanted. The loan was authorized, but I have sufficient confidence in the Executive to believe that the whole amount will not be borrowed, unless the public service shall make it necessary. It is clear that the necessities of the Treasury were augmented by the distribution of the proceeds of the lands, so that at least one of the prominent measures of the extra session was in direct conflict with the avowed purpose of the session. The next measure was an

increase of taxes, or duties rendered necessary by the two first. While this would have been justified by any extent demanded by the public service, either for peace or war, yet it cannot be excused as a means of merely filling up a vacuum created in the Treasury at the same session, and created for the purpose of being filled up by an increased tariff. The three measures which I have noticed were parts of one system, and their connection with the other measures of the session, warrants me in believing that they were all mere pretexts for reviving under specious disguises extravagant expenditures and a high tariff. No one will be found to advocate as a measure of fiscal expediency a distribution from an empty Treasury. The idea is so absurd as to excite surprise, and therefore we must look elsewhere for the reasons of this distribution.

Their true reasons will be found in the necessities of the debtor States, and in the policy which finds its pretext for a high tariff in distributing the proceeds of the lands while hereafter seek a pretext for one still higher in assuming the entire debt of the States. This measure will aid in paying the interest of the State debts, the next will strike at the principal. Without regard to the inherent and invincible objections to the principle of such a measure, it is obnoxious to the exporting States, because they will have necessarily to pay much more than they can receive. The future extension of this system to the assumption of the State debts, is foreshadowed by an argument relied on now to justify the distribution of the proceeds of the lands. We are told that the money arising from the sales of the public lands is not (as it has been heretofore regarded) a part of the public revenue, and hence it will be easy to prove that the vast sums already received and expended in that character, constitute the basis of a debt due from the United States to the States united. This debt will have to be paid too as the distribution of the current proceeds now are, from taxes imposed at our custom houses, so that to the precise extent to which the treasury of a State is relieved, whether for principal or interest, the Treasury of the United States Government will have to be increased. In other words, State taxes may be diminished but Federal taxes must be increased,—and the authority and importance of the Federal Government will be augmented at the expense of the States.

After an experience of fifty years, the Government of the United States is thrown back upon a system of measures, almost identically the same as those which characterized the first division of political parties in 1791,—measures involving the whole scope of powers conferred upon that government and those retained by the States, involving the same financial dependencies of these governments; and reasons are now urged in behalf of these measures, which, if they ever had force, have long since been exploded, and are no longer applicable to the altered social and political condition of the country. The States are no longer what the colonies were. They have proved themselves capable of realizing what was anticipated by the framers of our federal compact. They are the pillars on which the Union may safely rest, and the only danger is in the erection of an unwieldy, overshadowing superstructure which will find its own ultimate ruin in their weakness.

They are capable of imparting vitality and strength to the Federal Government, and of acting as a constituent body imparts to its representative, and not as a menial to a sovereign. We are then compelled by a necessity over which we have no control, to meet these questions, as they have been met, as questions of power, involving the just purposes and legitimate designs of the Federal Government. We now hear as was said in 1791, that besides the other accessions to the credit of the States from federal legislation, it is necessary for Congress to create a National Bank, not to aid as a mere fiscal agent in establishing the credit of the Federal Government, but to give a currency to the States. The credit of the Federal Government is now better than that of any bank. It is not now, as it did in '91, derive credit from its association with individuals. On the contrary, it has now the power (and it is invoked to use it) to bestow credit on a corporation and individuals.

There are many causes conspiring to render the subject of the currency one of the most complex in our system of government, and to conceal from observation the true sources of our embarrassments. All the errors of State and Federal legislation with all the evils resulting from the blunders of seven and twenty governments, and much of the disappearance of private industry, are all ascribed to a deranged currency. An excited fancy is too apt to depict a bank as the great moral and political panacea. While these ideal benefits are so much exaggerated, they who venture to call public attention to what they consider the true causes and the true cure of our deranged currency are denounced as enemies of the credit system. At the hazard of incurring this denunciation, I must invite your attention to this subject as one of more practical importance to you than a presidential election, and more likely to be of permanent benefit to the country. It is the result of some reflection, that the whole difficulty on this subject proceeds from the radical defects of our banking system. If the state banks were what they should be, there would be no necessity for the agency of the Federal Government to be invoked to protect the people against the incompetency, the frauds or the delusions of their own local banks. Conceding (what I am not satisfied is the fact) that a National Bank could be created and so managed as to afford relief against the evils of the State bank system, such relief in the nature of a remedy would be only temporary, and would fall far short of the inherent evils of the system itself.

There is more danger, I apprehend, that the State banks, as they are now constituted and for the most part administered, would overrule a National Bank for evil, than that it would overcome them for good. The chief good anticipated from a United States Bank is the caution and restriction it would impose on the issues of the State banks. May not the State governments do this? or is it admitted that a bank once created is beyond the reach of the Government creating it? Our State banks in many instances (it is certainly so in Virginia) are part and parcel of the government. By errors of legislation as I conceive, they have become so identified with the operations of the Government (itself a banker) that the representatives of the people dare not renege the bank's obligations. They have attained to a species of exemption from laws which bind the State itself and every individual in it. They suspend the payments of their debts at pleasure, and not only with impunity but with signal advantage. This results from the banks being part of the government, and their treasury, and in many instances its president and directors. The State is their chief stockholder, the principal of the bank itself, and must suffer its full share if the bank is made to obey the laws. Yet the State as a partner in this corporation, like the other stockholders, is not bound for the debts contracted or the notes issued by the corporation, although these notes are permitted to pass as money. The only responsibility in a banking corporation for the note-holder or other creditor, is in the corporate fund and effects. Each stockholder may be worth a million and yet the corporation be unable to pay a five dollar promissory note. The consequence is that we find negligence in the management of the corporation, and a want of confidence in its ability to meet its engagements.

When we consider that the banks are not only exempt to a great extent from obedience to the laws, but that they are entitled to privileges and advantages which no other corporations and no individuals enjoy, it would not be unjust to them, as it certainly would not be to the public, to require that the credit of the institutions which are authorized to furnish a circulating medium, should be based on some solid, substantial foundation. This can only be done by limiting their issues, so that the bank note shall really represent the gold and silver which it purports to represent, or, by rendering those who own and derive the profit of bank stocks liable in some manner for the debts of the corporation. The debts of a bank are different from other debts. Its promissory notes are evidences of debt against it. These are permitted under our laws to pass as money or currency. The holder who exchanges for them his labor or his property is the creditor of the bank. While his property and his person are liable to the bank for what he may owe it, as the borrower of its obligations, he is bound to him for its debts, and this while their whole business consists in lending to others at the usual interest their own promissory notes. The system is thus based on a principle of fictitious credit, and there is not that real, substantial responsibility about it, which alone can justify the confidence which is indispensable to credit. If the State banks were so organized as to furnish a rational assurance that their notes were really what they are known not to be, but what they profess to be, the representatives of the people, or if there was any such responsibility on the part of the stockholders as to afford a guaranty for the same discretion and caution which is found in the management of other business transactions, the public would not hesitate at any distance to receive bank notes as a safe and convenient substitute for specie. I believe that no business in society is conducted with less real responsibility and with more loss than is often found in banks.

These are some of the causes which affect the credit of the banking system as now organized. Can they be corrected by the creation of more banks on the same defective principles? But it may be said that inconvenience would result from a reform, which while it increases the responsibility of banks, and gives more credit to their issues, reduces the number of banks and diminishes the inducements for capitalists to vest their funds in bank stock. It may be answered that without some radical change either in the organization or management of banks, the same results will more surely and more speedily follow. The inducements either of profit or security are lamentably few already for investments in bank stocks. This is owing partly to the number of banks, the competition being as often as in any other business too great to afford adequate employment to all the capital now invested; but chiefly to the want of a reliable responsibility in the business of banking; and it may be assumed that if banks were conducted on a sounder basis, the same confidence which warrants investments in other business transactions, would ensure a sufficient amount of capital for all the banking necessities of the country. It is a fictitious system of profits, on a fictitious basis of credit, which has induced the excessive banking which now calls so loudly for a remedy against its evils, and while less capital would be employed under a sound system, it would be more substantial, and its profits would be more certain and greater to the capitalists, and far safer to society as the holders of bank notes.

It is said, however, whenever any attempt is made to correct the defect of the banking system, that it is so delicate, as not to be touched without danger. In what does this delicacy consist, but in the very defects which have been noticed, and how are they to be cured unless by the gradual application of legislative reform? They are the true enemies of the credit system, who aver that banks cannot be placed on as solid and durable a responsibility as any other fair business; that it is possible to legislate confidence and credit into existence, without first supplanting the actual elements on which alone they can rest.

It is feared by some that the prices of property and labor will decline under a process of reform in the banking system. Money is now made plenty or scarce as it suits the pleasure or the necessities of the banks, and it is certainly to be desired that these institutions should be relieved as far as practicable from the operation of these causes which so often derange their business, and as a consequence compel them to derange the business of all others. The system is exposed to frequent fluctuations by its own weakness. It is needless, however, to press the necessity of bank reform, since the demand for a National Bank is based on the admission of the inability of the State bank system to furnish even a sound local currency, and it is wanted to regulate what the laws do not now regulate. This argument, while it concedes the power of banking to the States, assumes their incapacity to control the corporations which they have created, and assumes that this control can be safely entrusted to a federal corporation, the creature of another government. A National Bank, if it have the power to regulate the issues of the State